

## **Senate Bill No. 261**

### **CHAPTER 163**

An act to add Section 7114.2 to the Business and Professions Code, relating to contractors.

[Approved by Governor August 27, 2013. Filed with  
Secretary of State August 27, 2013.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

SB 261, Monning. Contractors: fraudulent use of license.

The Contractors' State License Law provides for the licensure and regulation of contractors by the Contractors' State License Board and requires the board to appoint a registrar of contractors to perform specified duties. Existing law authorizes the registrar to issue a citation, instead of initiating disciplinary proceedings, to a licensee when the registrar has probable cause to believe that the licensee has committed acts in violation of the Contractors' State License Law. Existing law authorizes the citation to include an order for payment by a licensee of a specified sum to an injured party. Existing law provides that it is grounds for disciplinary action for a licensed contractor to aid an unlicensed person in evading the Contractors' State License Law, to allow an unlicensed person to use his or her license, or to act in the capacity of a contractor under an inactive or suspended license. Under existing law, any person who willfully and intentionally uses, with intent to defraud, a contractor's license number that does not correspond to the number on a currently valid contractor's license held by that person, is guilty of a crime. Existing law authorizes the registrar of contractors to issue a citation to an unlicensed individual who is in violation of that provision, including an order of abatement and a civil penalty.

Under existing law, it is a crime to engage in specified activities with respect to professional licenses, as defined to include a contractor's license, including lending a license to any other person or knowingly permitting the use of the license by another person.

This bill would provide that any licensed or unlicensed person who commits any of those specified activities with respect to a contractor's license is subject to the administrative remedies authorized by the Contractors' State License Law.

*The people of the State of California do enact as follows:*

SECTION 1. Section 7114.2 is added to the Business and Professions Code, to read:

7114.2. Any licensed or unlicensed person who commits any act prohibited by Section 119 is subject to the administrative remedies authorized by this chapter. Unless otherwise expressly provided, the remedies authorized under this section shall be separate from, and in addition to, all other available remedies, whether civil or criminal.